

***Air Force Materiel Command / Defense Logistics Agency
Day***

**AFMC AND DCMC:
A VALUE-ADDED PARTNERSHIP**

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RBA - REENGINEERING THE WAY WE DO BUSINESS CONTRACTING PERSPECTIVE

**DCMC Cost
per month:
\$114 per
small
supply
contract**

**MOCAS
\$117 for
Payment**

MRM 10 (Redesigning DoD Source
Acceptance Policies and
Procedures), DRID 33 (Paperless
DD Form 250)

Present Process

- Solicitation

- Award

- Post Award

EDW, EDA

- Acceptance

- Payment

Credit
Card, EDA

DRID 32 (Paperless Contract
Closeout)

- Closeout

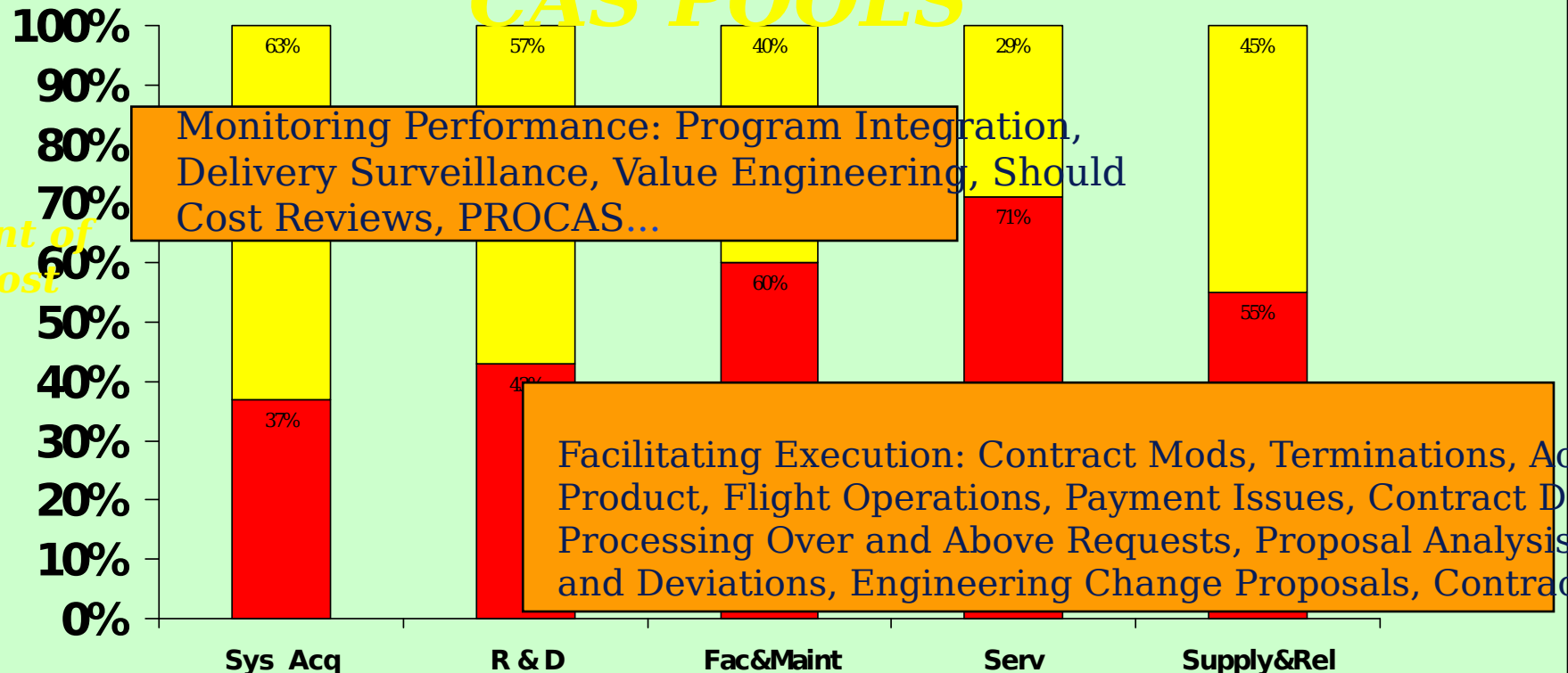


CONTRACT EXECUTION / CONTRACTOR PERFORMANCE



COMMAND WIDE - BASIC CAS POOLS

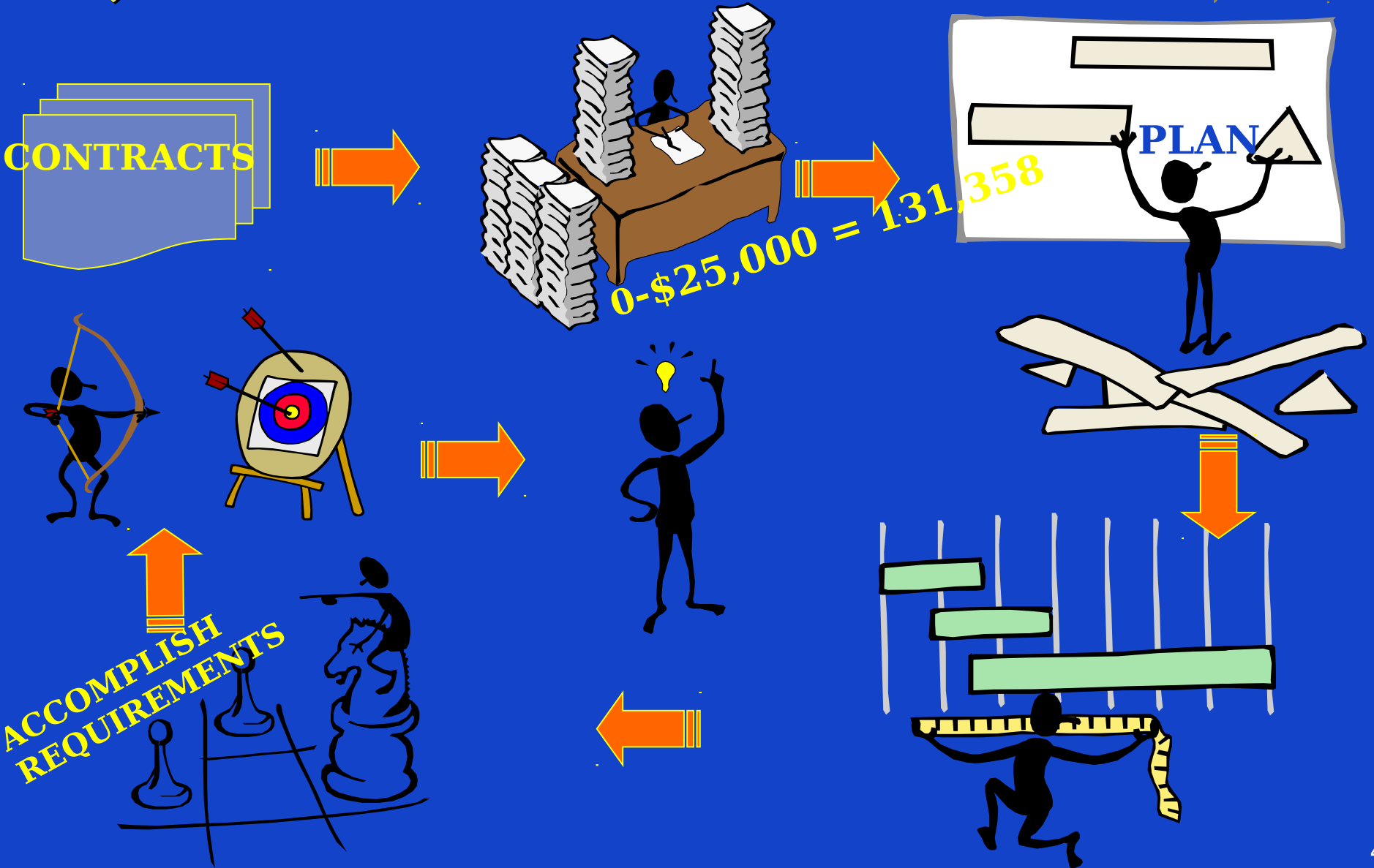
■ Contract Execution ■ Contractor Performance



FY 98 Data; Excludes Reimbursables



DCMC SMALL DOLLAR CONTRACTS WITH GSI





WHAT IS DCMC DOING?

STRATIFY CONTRACT ADMINISTRATION OFFICE DATA

- TRACK TRENDS
- ADJUST WHERE NECESSARY

<u>INTERVAL</u>	<u>ALL ACTIVE CONTRACTS</u>					<u>TOTAL</u>
	<u>Army</u>	<u>Navy</u>	<u>Air Force</u>	<u>Marines</u>	<u>DLA</u>	
\$0 - \$2,500 69,488	12,256	13,795	7,600	97	35,740	
\$2,501 - \$5,000 17,033	1,132	2,589	1,627	28	11,657	
\$5,001 - \$10,000 19,425	1,750	3,538	2,061	19	12,057	
\$10,001 - \$25,000	1,767	6,214	3,278	56	14,097	





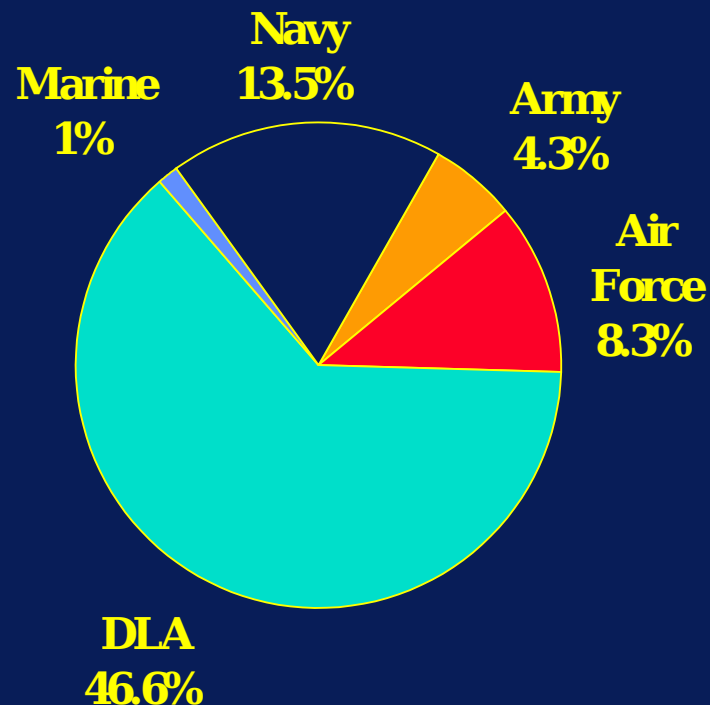
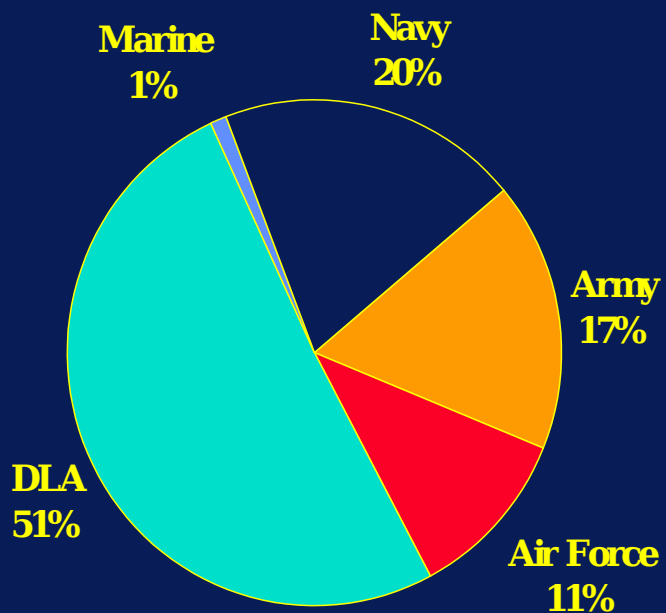
TARGETS OF OPPORTUNITY

55% OF AIR FORCE CONTRACTS <\$2,500

REQUIRE GSI

*Percentage of Total DCMC
Contracts \$ 2,500 or Less*

*Percentage of Total DCMC
Contracts \$ 2,500 or Less
Requiring GSI*



77% OF AIR FORCE CONTRACTS <\$25,000 REQUIRE GSI



HIGHEST GENERATORS OF GSI

- **AIR FORCE TOTALS:**

- **77% OF ACTIVE CONTRACTS REQUIRE GSI**
- **55% OF <\$2,500 CONTRACTS REQUIRE GSI**

- **TOP GSI DRIVERS:**

1998 Contracts

SA-ALC/Kelly AFB	28%
OO-ALC/Hill AFB	20%
OC-ALC/Tinker AFB	18%
SM-ALC/Robins AFB	17%

1997 Contracts

SA-ALC/Kelly AFB	29%
SSC/Maxwell AFB	22%
OC-ALC/Tinker AFB	15%
SM-ALC/Robins AFB	13%



TARGETS OF OPPORTUNITY

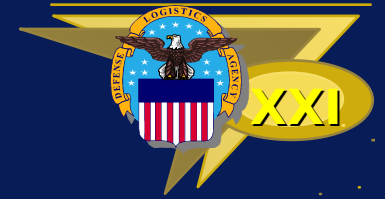
Examples of Air Force Low-Dollar, Non-complex Contracts with GSI:

<u>\$ Value</u>	<u>GSI</u>	<u>Purchase Date</u>	<u>Item</u>
50.00	Yes	Apr 1998	Capacitor
495.00 Roms	Yes	Jul 1998	CD
29.71	Yes	Jul 1998	Washer
122.00	Yes	Oct 1998	Fax Modem
206.00 Office	Yes	Jun 1998	Microsoft
200.00 Office License	Yes	Jul 1998	Microsoft
132.00	Yes	Jul 1998	PC Card



MRM #10

DEFENSE LOGISTICS AGENCY



TASK: Reassess Source Acceptance Policies and Procedures

OBJECTIVE:

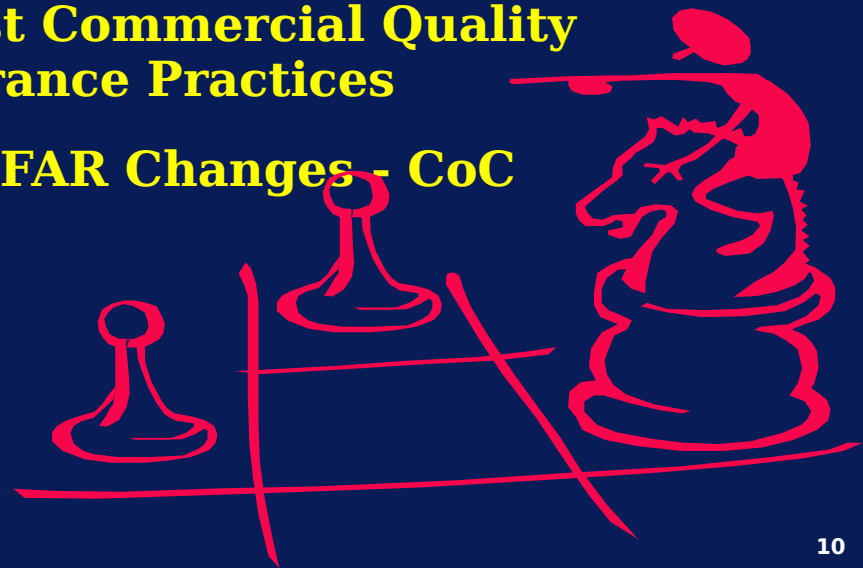
- Identify and eliminate policies and procedures that lead to the performance of unnecessary source inspection.

ACCOMPLISHMENTS

SUPPLIER EXCELLENCE - THE FUTURE

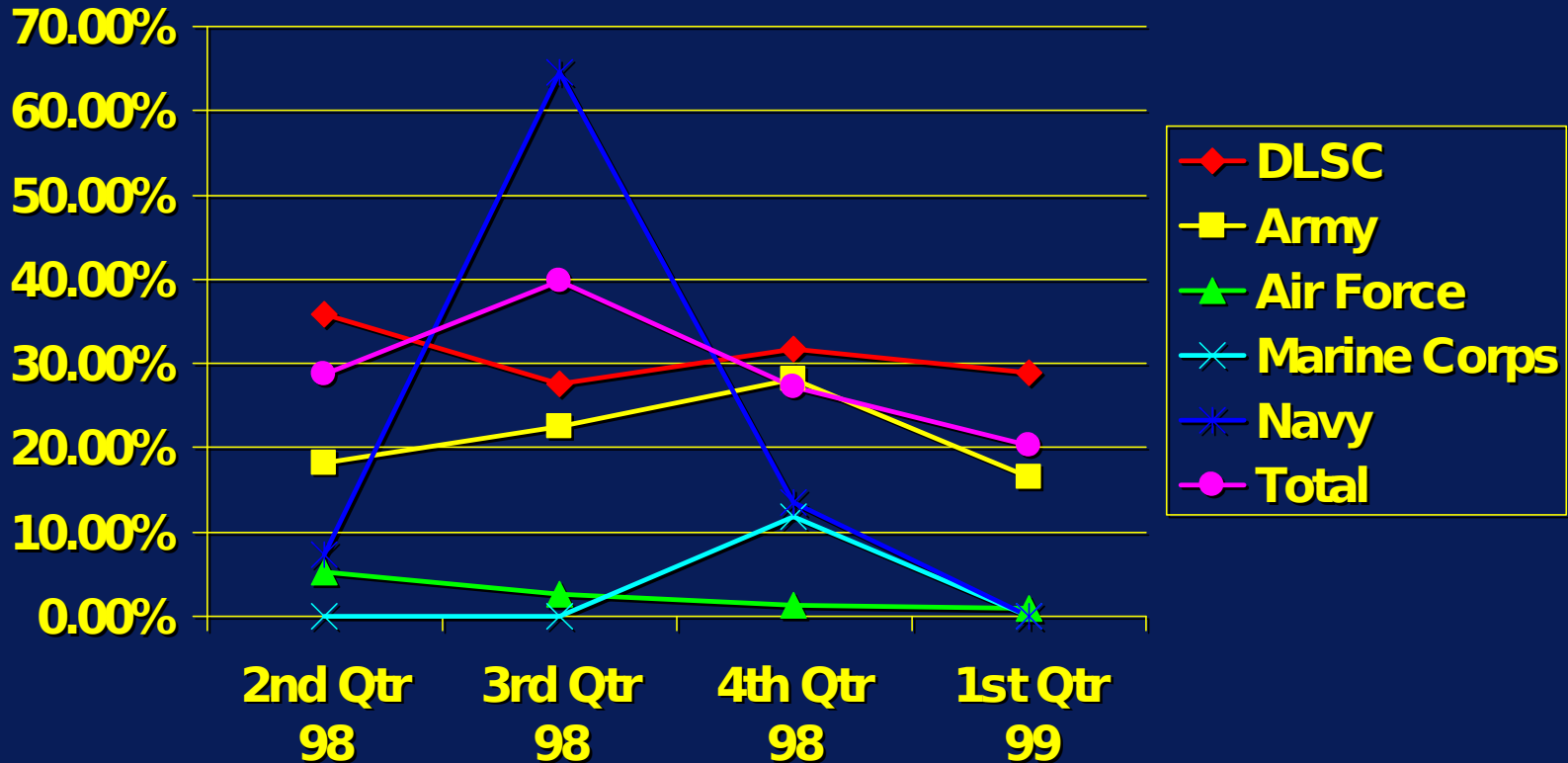
- Develop alternative methods of assuring quality

- Barriers Removed - FAR Changes
- Contract Writing Systems Changes
- Streamlined Processes
- Guides/Manuals Updated
 - Developed Decision Guide
- Reduction of Administrative Lead Time
- Communication
 - Quarterly Reports
 - Numerous Briefings
- Reinvention Labs
- Test Commercial Quality Assurance Practices
- Future FAR Changes - CoC





THROUGH DECEMBER 31, 1998

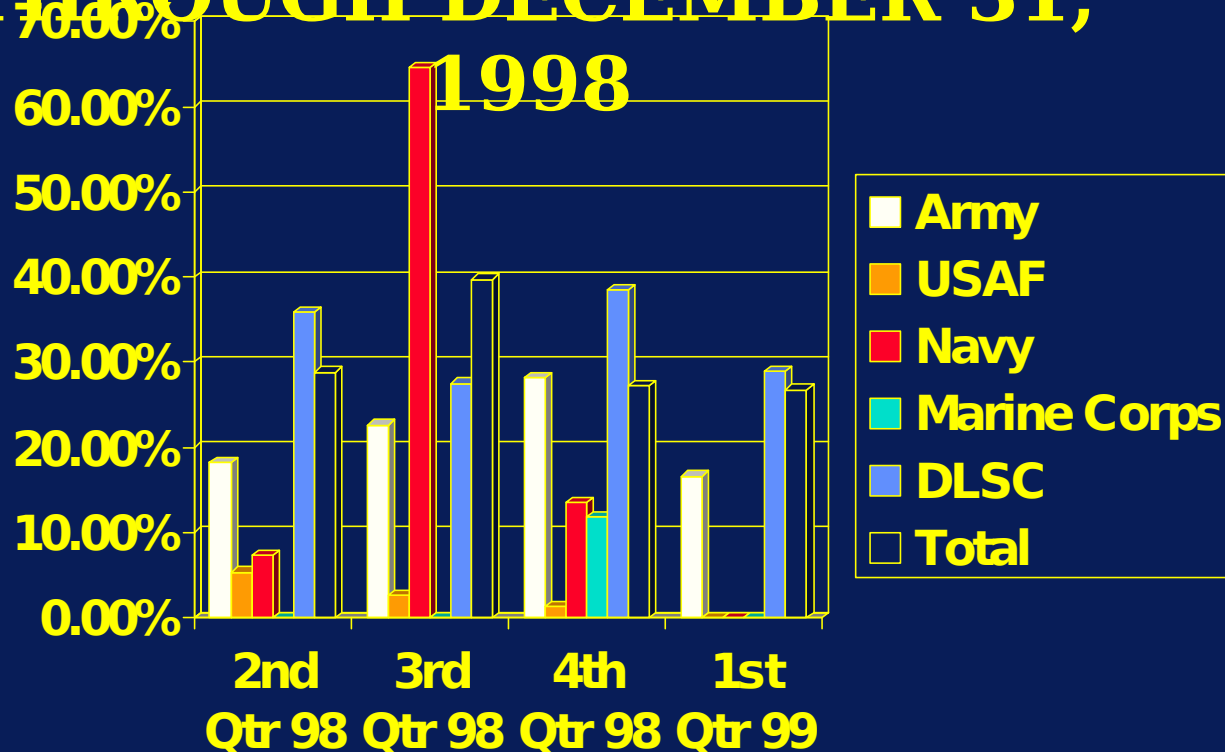


TOTAL NUMBERS TO DATE:

DLA	TOTAL	ARMY	USAF	NAVY	MARINES
# Reviewed	367,193	11,846	9,678	24,454	88
# Removed GSI	413,259	2,636	254	5,615	6
					139,100



ITEM REVIEW-% REMOVED GSI THROUGH DECEMBER 31,



AIR FORCE NUMBERS:

	2nd	3rd	4th	1st
<u>QTR 98</u>	<u>QTR 98</u>	<u>QTR 98</u>	<u>QTR 99</u>	
Number Unchanged	2,317	2,790	2,825	1,492
Number Changed	129	75	36	14
%Changed to Destination	5.3	2.6	1.3	0.9
Total Reviewed	2,446	2,865	2,861	1,506



AFMC AND DCMC: A VALUE-ADDED PARTNERSHIP



- We're in this together
 - Simplify/Streamline Acquisitions
 - MRM #10
 - Streamlining of Small-Dollar Contracts
 - Credit Card Payment
 - Contractor Self Oversight
 - Certificates of Conformance
 - Prime Contractor Accepts Responsibility
 - Risk-Based Surveillance

Supplier Business Affairs
SUPPLIER EXCELLENCE